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**AGREED UPON CONDITIONS REPORT DESIGNED TO INCREASE  
EFFICIENCY, INTERNAL CONTROLS AND/OR FINANCIAL REPORTING**

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To the Honorable Grand Jury and  
Board of Supervisors  
County of Stanislaus, California

We have audited the basic financial statements of the County of Stanislaus (the County) for the year ended June 30, 2008 and have issued our report thereon dated December 10, 2008. In planning and performing our audit of the financial statements of the County, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

As a result of our audit, we noted certain agreed-upon findings. These findings and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve the internal control structure or result in other efficiencies and are summarized as follows:

**Current Year Agreed Upon Findings & Recommendations**

**Agreed Upon Condition 1 – Deposit Permit Signatures**

**Condition**

During our audit of controls over cash receipts we noted 4 out of a sample of 60 deposit permits selected for testing lacked the signature of the preparer of the Deposit Permit.

**Recommendation**

Management should inform the Departments of the importance of this control procedure and Treasury should implement a system for obtaining approval of Deposit Permits lacking signatures.

**Management Response**

Management agrees with this finding and recommendation.

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Mgt, Ltr  
2/13/09

## **Agreed Upon Condition 2 – CSA Time Studies**

### **Condition**

During our testing of compliance over certain programs administered by the Community Services Agency (CSA), we noted 1 out of 40 of the time studies selected did not agree with the supporting time card.

### **Recommendation**

The time studies are crucial for allocating costs to the various programs; the misallocation of costs as a result of this error were inconsequential to the programs and we believe that CSA management has made significant progress in reducing the frequency of time study errors. We recommend they continue to stress the importance of accurate time studies and maintain their current time study quality control procedures.

### **Management Response**

CSA management agrees with this finding.

## **Agreed Upon Condition 3 – Adoption Assistance**

### **Condition**

During our testing of eligibility for the Adoption Assistance program at CSA, we identified 1 case of the 40 selected for testing was missing the signature of a family services specialist from the AAP-4 Eligibility form.

### **Recommendation**

This finding had been noted previously and we recommended that CSA management take steps to review all their AAP-4 forms to identify any forms missing the required signatures and take appropriate action. We recommend that they continue this effort and that the frequency of this error has dropped from prior years as a result of their actions.

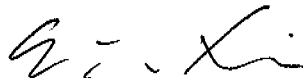
### **Management Response**

CSA management agrees with this finding.

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This information is intended solely for the use of the Grand Jury, Board of Supervisors, and management of the County and should not be used for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

BROWN ARMSTRONG PAULDEN  
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By: Eric H. Xin